

1 STAFF CONFERENCE

July 26, 2021

2 CHAIR MITCHELL: Good morning, everyone.
3 Good to see everybody in the room this morning. Let's
4 come to order and go on the record, please. I'm
5 Charlotte Mitchell, Chair of the Utilities Commission,
6 and with me this morning are the following
7 Commissioners. Commissioner Brown-Bland, Commissioner
8 Gray, Commissioner Clodfelter, Commissioner Duffley,
9 and Commissioner McKissick.

10 In compliance with the State Government
11 Ethics Act, I remind members of the Commission of
12 their duty to avoid conflicts of interest, and inquire
13 at this time as to whether any member of the
14 Commission has a known conflict of interest with
15 respect to matters coming before us?

16 (No response)

17 The record will reflect that no conflicts
18 have been identified, so we will proceed with,
19 Communications, Item P1. Ms. Proffitt, you are up.

20 MS. PROFFITT: Good morning. My name is
21 Karen Proffitt of the Water, Sewer and Telephone
22 Division. Item P1 presents Interconnection Agreement
23 and Amendments filed by Frontier Communications,
24 Verizon South and CenturyLink between May 5th and June

NORTH CAROLINA UTILITIES COMMISSION

1 1st, 2021.

2 The Public Staff has reviewed the filings
3 and recommends that orders be issued approving
4 Agreement and Amendments effective on the day they
5 were filed.

6 The Public Staff has provided the proposed
7 orders to Commission staff.

8 COMMISSIONER BROWN-BLAND: Move approval of
9 the recommendation.

10 COMMISSIONER GRAY: Second.

11 CHAIR MITCHELL: It's been moved and
12 seconded that the item be approved as recommended by
13 the Public Staff. Any questions or discussion on the
14 motion?

15 COMMISSIONER McKISSICK: Madam Chair, one
16 quick question.

17 CHAIR MITCHELL: Please proceed.

18 COMMISSIONER McKISSICK: Let me ask you
19 this. I gather what this is dealing with is
20 unbundling of certain network elements and services
21 under the FCC 2020 UNE Order. Now, I went back to
22 look at that original order and it seems to focus upon
23 unbundling of services. But it says that in urban
24 areas if there is sufficient competition unbundling is

1 permitted, but if you're looking at say rural areas
2 where there may not be competitive services then it
3 doesn't allow unbundling. What does this effectively
4 do in terms of those unbundling of services that are
5 proposed under these particular amendments?

6 MS. PROFFITT: Well, the unbundling of
7 network elements, those -- it's actually -- that
8 terminology is essentially to talk about the different
9 rate elements that were at one point in time that were
10 all together. So, it doesn't actually change anything
11 about the way they're operating today and the way they
12 have been, it's just that at this time the Commission
13 or the FCC Commission feels that their -- there's
14 adequate competition to allow companies to not offer
15 the same discounts that were offered to competitive
16 local providers that they had been getting all these
17 years, and passing those along, too. They're no
18 longer going to have to pass those along in the areas
19 where there is competition, but they still are
20 protecting those who do not have competition in their
21 areas. So, it's not -- it's not really a -- excuse
22 me, it's not really a change in the way that they're
23 operating, it's just not passing the discount through.

24 COMMISSIONER McKISSICK: I see. So, when it

1 comes to those rural areas or areas where there still
2 is not sufficient competition, a bundling will still
3 be permitted and allowed?

4 MS. PROFFITT: Yes.

5 COMMISSIONER McKISSICK: Okay. Thank you.

6 CHAIR MITCHELL: Any additional questions?
7 Discussion?

8 (No response)

9 All in favor of the motion indicate with an
10 aye.

11 (All Commissioners say aye)

12 CHAIR MITCHELL: Any opposed?

13 (No response)

14 The motion carries.

15 (MOTION PASSES)

16 CHAIR MITCHELL: Thank you, Ms. Proffitt.

17 MS. PROFFITT: Thank you.

18 CHAIR MITCHELL: We will proceed now to
19 Public Staff, Electric Item P1.

20 MR. LAWRENCE: Good morning. I am Evan
21 Lawrence with the Public Staff's Energy Division.
22 Electric Item P1 is an Application for an amended
23 Certificate of Public Convenience and Necessity of a
24 solar PV electric generating facility for Healing

1 Springs Solar, LLC. The Applicants' previously
2 indicated that this project would participate in CPRE.

3 The Public Staff recommends that the
4 Commission approve the Application and issue the
5 requested amended Certificate.

6 COMMISSIONER BROWN-BLAND: Move approval of
7 the recommendation.

8 COMMISSIONER GRAY: Second.

9 CHAIR MITCHELL: It's been moved and
10 seconded that the item be approved as recommended by
11 the Public Staff. Any questions or discussion on the
12 motion?

13 (No response)

14 Hearing none, all in favor?

15 (All Commissioners say aye)

16 CHAIR MITCHELL: Any opposed?

17 (No response)

18 The motion carries.

19 (MOTION PASSES)

20 CHAIR MITCHELL: Thank you, Mr. Lawrence.

21 MR. LAWRENCE: Thank you.

22 CHAIR MITCHELL: We will proceed now to
23 Public Staff, Water Item P1.

24 MS. DARDEN: Good morning. Lindsay Darden,

1 Engineer of the Public Staff - Water, Sewer and
2 Telephone Division. Water Item P1 filed by Carolina
3 Water Service, Inc. of North Carolina in Docket Number
4 W-354, Sub 384 is an Application seeking authority to
5 increase its rates for providing water and sewer
6 utility service in all of its service areas in North
7 Carolina. Carolina Water Service serves approximately
8 34,000 water customers and 21,000 sewer customers in
9 38 counties in the State.

10 The Public Staff recommends that the
11 Commission issue the proposed order establishing a
12 general rate case and suspending rates.

13 COMMISSIONER BROWN-BLAND: Move approval of
14 the recommendation.

15 COMMISSIONER GRAY: Second.

16 CHAIR MITCHELL: It's been moved and
17 seconded that the item be approved as recommended by
18 the Public Staff. Any questions or discussion?

19 (No response)

20 Hearing none, all in favor indicate with an
21 aye.

22 (All Commissioners say aye)

23 CHAIR MITCHELL: Any opposed?

24 (No response)

1 The motion carries.

2 (MOTION PASSES)

3 CHAIR MITCHELL: Thank you, Ms. Darden.

4 Moving on to Public Staff, Water Item P2.

5 MR. FRANKLIN: Good morning, Commissioners.

6 I'm D. Michael Franklin, Engineer with Public Staff -
7 Water, Sewer and Telephone Division. I'll be
8 presenting Water Items P2 and P4 this morning.

9 Water Item P2 is Docket Number W-1021, Sub
10 17, Watercrest Estates, Watercrest, filed a verified
11 petition with the Commission requesting authority to
12 amend its tariff for the purpose of passing along to
13 its customers in Watercrest Mobile Home -- Estates
14 Mobile Home Park in Iredell County, North Carolina,
15 the increase in costs of purchasing water and sewer
16 services from the City of Statesville.

17 The Public Staff's recommended rates are
18 shown in the agenda item. Watercrest has agreed with
19 the Public Staff's recommendation.

20 A proposed order has been provided. And it
21 is recommended that the Commission issue the proposed
22 order approving the tariff revision and requiring
23 customer notice.

24 COMMISSIONER BROWN-BLAND: Move approval of

1 the recommendation.

2 COMMISSIONER GRAY: Second.

3 CHAIR MITCHELL: It's been moved and
4 seconded that the item be approved as recommended by
5 the Public Staff. Any questions or discussion?

6 (No response)

7 All in favor of the motion indicate with an
8 aye.

9 (All Commissioners say aye)

10 CHAIR MITCHELL: Any opposed?

11 (No response)

12 The motion carries.

13 (MOTION PASSES)

14 CHAIR MITCHELL: Thank you, Mr. Franklin.

15 MR. FRANKLIN: Can I proceed with Water Item
16 P4?

17 CHAIR MITCHELL: Hearing no objection, we'll
18 proceed with Water Item P4.

19 MR. FRANKLIN: Thank you. Water Item P4,
20 Docket Number W-1328, Sub 7, Red Bird Utility
21 Operating Company, LLC, or Red Bird, has filed an
22 Application for a Certificate of Public Convenience
23 and Necessity and for Approval of Rates to provide
24 wastewater utility service to Ocean Terrace, Pine

1 Knoll Townes I, II, and III townhome communities in
2 Carteret County.

3 Each of Ocean Terrace, and Pine Knoll Townes
4 I, II, and III has a separate wastewater utility
5 system owned by its homeowner's association providing
6 wastewater utility service to a combined total of 170
7 residences. Presently, these wastewater systems are
8 exempt from Commission regulation.

9 The Applicant's recommended rates and
10 proposed future rates are as shown in the agenda item.

11 A proposed order has been provided. And it
12 is recommended that the Commission issue the proposed
13 order requiring customer notice specifying that if no
14 significant protests are received subsequent to
15 customer notice the matter may be decided without
16 hearing.

17 COMMISSIONER BROWN-BLAND: Move approval of
18 the recommendation.

19 COMMISSIONER GRAY: Second.

20 CHAIR MITCHELL: It's been moved and
21 seconded that the item be approved as recommended by
22 the Public Staff. Any questions? Discussion?

23 (No response)

24 All in favor of the motion indicate with an

1 aye.

2 (All Commissioners say aye)

3 CHAIR MITCHELL: Anyone opposed?

4 (No response)

5 CHAIR MITCHELL: The motion carries.

6 (MOTION PASSES)

7 CHAIR MITCHELL: Thank you, Mr. Franklin.

8 MR. FRANKLIN: Thank you.

9 CHAIR MITCHELL: We will move on to Public
10 Staff, Water Item P3. Mr. Junis, you're up.

11 MR. JUNIS: They made me sit in the low seat
12 so my head didn't get chopped off. I'm not being
13 weird about the middle seat. (Laughing). I'm taking
14 it as a compliment that they just want to get my hair
15 in the screen. (Laughing).

16 I'm Charles Junis, Engineer with the Public
17 Staff - Water, Sewer and Telephone Division. Water
18 Item P3 filed by Old North State Water Company in
19 Docket Number 1300, Sub 60 is an Application seeking
20 authority to adjust and increase its rates for
21 providing water utility service in all of its service
22 areas in North Carolina. Old North State Water
23 Company serves approximately 1,576 water customers in
24 eight counties in the State. This is the first time

1 Old North State Water Company has come before the
2 Commission requesting an adjustment and increase in
3 its rates.

4 The Public Staff recommends that the
5 Commission issue the proposed order establishing a
6 general rate case and suspending rates.

7 COMMISSIONER BROWN-BLAND: Move approval of
8 the recommendation.

9 COMMISSIONER GRAY: Second.

10 CHAIR MITCHELL: It's been moved and
11 seconded that the item be approved as recommended by
12 the Public Staff. Any questions or discussion?

13 (No response)

14 All in favor of the motion indicate with an
15 aye.

16 (All Commissioners say aye)

17 CHAIR MITCHELL: Anyone opposed?

18 (No response)

19 CHAIR MITCHELL: That motion carries.

20 (MOTION PASSES)

21 MR. JUNIS: Thank you.

22 CHAIR MITCHELL: Thank you, Mr. Junis.

23 The Commission has before it our minutes of
24 July 12th, 2021 Staff Conference. I'll take a motion,

1 please.

2 COMMISSIONER GRAY: Move approval.

3 COMMISSIONER DUFFLEY: Second.

4 CHAIR MITCHELL: Any questions or
5 discussion?

6 (No response)

7 All in favor of approving the minutes
8 indicate with an aye.

9 (All commissioners say aye)

10 CHAIR MITCHELL: Anyone opposed?

11 (No response)

12 The minutes of July 12th are approved.

13 We have some introductions to make this
14 morning. Freda and Dustin, if y'all would come on up.

15 MS. HILBURN: Good morning, Chair and
16 Commissioners. I'd like to introduce to you our new
17 hire for the Public Utilities Engineer II position in
18 the Operations Division. This is Dustin Rhodes. He
19 comes to us from the North Carolina Department of
20 Environmental Quality, the Division of Water
21 Resources, Public Water Supply, and he worked there
22 for over four years. And prior to that, he worked for
23 the Orange Water and Sewer Authority and also The
24 Wooten Company.

1 He is a graduate of North Carolina State
2 University where he got his Bachelor of Science degree
3 in Environmental Engineering. He is a North Carolina
4 licensed professional engineer.

5 We are very excited to have him on our staff
6 and we look forward to working with him. And he will
7 report to Bridget Paschal in the Water and Sewer and
8 Transportation Division.

9 CHAIR MITCHELL: Well, thank you, Freda.
10 And welcome, Dustin. We're very glad to have you.
11 And we're glad that Sam will finally have a friend on
12 the Commission Staff.

13 MR. RHODES: Thank you very much for having
14 me. I'm excited to be a part of your team. I look
15 forward to working with you all in the future. So,
16 thank you very much.

17 CHAIR MITCHELL: Thank you. One more quick
18 announcement from the Commission. We have named
19 Shonta Dunston as our Chief Clerk. I believe that was
20 effective last week, so just letting everyone know
21 that going forward she will serve as our Chief Clerk.

22 Any additional business for the Commission
23 this morning before we adjourn?

24 (No response)

1 Hearing none, we will be adjourned. Thank
2 you everybody.

3 _____
4 WHEREUPON, this conference is adjourned.
5 _____

6
7 C E R T I F I C A T E

8 I, KIM T. MITCHELL, DO HEREBY CERTIFY that
9 the Proceedings in the above-captioned matter were
10 taken before me, that I did report in stenographic
11 shorthand the Proceedings set forth herein, and the
12 foregoing pages are a true and correct transcription
13 to the best of my ability.
14

15 Kim T. Mitchell

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